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| PGRR Number | [105](https://www.ercot.com/mktrules/issues/PGRR105) | PGRR Title | Deliverability Criteria for DC Tie Imports |

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| Date | August 29, 2023 |

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| Submitter’s Information |
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| Market Segment | Not Applicable |

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| Comments |

ERCOT submits these comments to request that Planning Guide Revision Request (PGRR) 105 be rejected or tabled indefinitely.

PGRR105 proposes to require ERCOT to plan transmission to ensure deliverability of Direct Current Tie (DC Tie) imports at the same minimum deliverability percentage used for dispatchable Generation Resources and Energy Storage Resources (ESRs). Because ERCOT has defined this deliverability percentage to be 100%, this PGRR would effectively require ERCOT to plan transmission to ensure full deliverability of DC Tie imports.

This proposal is at odds with ERCOT’s determination regarding Directive 6 from the Public Utility Commission of Texas’ (PUCT’s) Revised Order Creating and Scoping Project in PUCT Project No. 46304, which was the oversight proceeding the PUCT established to evaluate a variety of novel issues associated with the interconnection of the DC Tie project proposed by Southern Cross Transmission, LLC (now known as Southern Sprit Transmission, LLC).[[1]](#footnote-1) Directive 6 required ERCOT to identify transmission needs resulting from the interconnection of the Southern Cross project. While ERCOT’s study of the project identified that a number of major transmission upgrades would be needed to allow full deliverability of imports and exports over the tie, ERCOT’s resolution of Directive 6 ultimately concluded that no upgrades were in fact necessary because PGRR077, DC Tie Planning Assumptions, had amended the Planning Guide to explicitly provide that DC Ties would be curtailed as necessary to resolve planning criteria violations in planning studies, meaning that ERCOT would never build new reliability-based transmission projects for DC Ties.[[2]](#footnote-2) And in its resolution of Directive 11, concerning allocation of certain costs associated with the Southern Cross DC Tie, ERCOT concluded there was no need to address the allocation of costs of new transmission facilities because the curtailment principle in PGRR077 precluded the construction of new transmission to accommodate DC Tie flows.[[3]](#footnote-3)

Critically, the PUCT explicitly endorsed these conclusions in its Order Closing Project in Project No. 46304, issued last September.[[4]](#footnote-4) The PUCT’s Order specifically stated that “the Commission agrees with ERCOT's solutions to the 14 directives set forth in the Revised Order Creating and Scoping Project in Project No. 46304.” Based on the satisfactory resolution of these directives, the PUCT then closed the Project. Given the PUCT’s endorsement of this conclusion in a formal agency order, ERCOT believes it would be inappropriate to reverse course on this conclusion in the absence of a change in direction from the PUCT. These comments are not intended to express a position on whether additional transmission capacity should be built to accommodate DC Tie imports, but are intended only to point out that the appropriate forum for addressing this policy issue at this stage is the PUCT, not ERCOT.

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| Revised Cover Page Language |

None

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| Revised Proposed Guide Language |

None

1. *See* PUCT Project 46304, Revised Order Creating and Scoping Project (May 23, 2017), available at <https://interchange.puc.texas.gov/Documents/46304_4_941374.PDF>. [↑](#footnote-ref-1)
2. *See* PUCT Project 46304, ERCOT’s Tenth Status Update (June 22, 2022), available at <https://interchange.puc.texas.gov/Documents/46304_25_1217031.PDF>. [↑](#footnote-ref-2)
3. *See* PUCT Project 46304, ERCOT’s Eleventh Status Update (Aug. 31, 2022), available at <https://interchange.puc.texas.gov/Documents/46304_26_1235508.PDF>. [↑](#footnote-ref-3)
4. *See* PUCT Project 46304, Order Closing Project (Sep. 30, 2022), available at <https://interchange.puc.texas.gov/Documents/46304_27_1242916.PDF>. [↑](#footnote-ref-4)